

221935

STATE OF SOUTH CAROLINA

(Caption of Case)

Application of Tega Cay Water Service, Inc.
for Adjustment of Rates and Charges and
Modifications to Certain Terms and Conditions
for the Provision of Water and Sewer Service

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET
NUMBER: 2009 - 473 - WS

(Please type or print)

Submitted by: Benjamin P. Mustian, Esquire

SC Bar Number: 68269

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Other:

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition

☐ Request for item to be placed on Commission's Agenda expeditiously

☒ Other:

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)			
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request	
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification	
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation	
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement	
<input type="checkbox"/> Electric/Water/Telecom.	<input checked="" type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment	
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter	
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response	
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery	
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition	
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation	
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena	
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff	
<input checked="" type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other: _____	
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest		
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit		
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report		

Print Form

Reset Form

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TRACEY C. GREEN
ALAN WILSON
SPECIAL COUNSEL

February 16, 2010

*ALSO ADMITTED IN TX

VIA HAND DELIVERY

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

RE: Application of Tega Cay Water Service, Inc. for adjustment of rates and charges and modifications to certain terms and conditions for the provision of water and sewer service. Docket No.: 2009-473-WS

Dear Ms. Boyd:

Enclosed for filing are the original and ten (10) copies of the Application of Tega Cay Water Service Inc., in the above-referenced matter. Also enclosed you will find the Applicant's proposed notice of filing and hearing. By copy of this letter, I am serving a copy of these documents upon the Executive Director of the Office of Regulatory Staff and enclose a Certificate of Service to that effect.

I would appreciate your acknowledging receipt of this Application and Certificate by date-stamping the extra copies enclosed and returning the same to me via our courier.

If you have any questions or if you need any additional information, please do not hesitate to contact me.

Sincerely,

WILLOUGHBY & HOEFER, P.A.



Benjamin P. Mustian

BPM/cf
Enclosures
cc: Honorable C. Dukes Scott

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2009-473-W/S

IN RE:)	
)	
Application of Tega Cay Water)	
Service, Inc. for adjustment of)	APPLICATION
rates and charges and modifications to)	
certain terms and conditions for the)	
provision of water and sewer service.)	
<hr/>)	

Tega Cay Water Service, Inc. (“Applicant” or “Company”) would respectfully show unto, and request of, the Commission as follows:

BACKGROUND

1. Applicant is a corporation organized and existing under the laws of the State of Delaware and is authorized to do business in the State of South Carolina.
2. Applicant is a public utility, as defined by S.C. Code Ann. § 58-5-10(3) (Supp. 2008), providing water and sewer service to the public for compensation in York County, South Carolina pursuant to rates approved by the Commission in Docket No. 2006-97-W/S, Order No. 2006-582, dated October 9, 2006.
3. All communications or inquiries regarding this Application should be directed as set forth below:

a. **Applicant's Representative:**

Mr. Steven M. Lubertozi
Executive Director of Regulatory Accounting & Affairs
Utilities, Inc.
2335 Sanders Road
Northbrook, Illinois 60062-6196

b. **Legal Counsel:**

John M.S. Hoefer, Esquire
Benjamin P. Mustian, Esquire
Willoughby & Hoefer, P.A.
Post Office Box 8416
Columbia, South Carolina 29202-8416
(803) 252-3300

**REQUEST FOR RATE RELIEF AND APPROVAL OF
RATE SCHEDULE MODIFICATIONS**

4. Pursuant to S.C. Code Ann. § 58-5-240 (Supp. 2008) and 26 S.C. Code Ann. Regs. RR. 103-512.4.A and 103-712.4.A (1976, as amended), Applicant requests that the Commission approve the monthly water and sewer service charges set forth in the seven (7) page rate schedule attached hereto and incorporated herein by this reference as Exhibit "A." Pursuant to R. 103-703 (1976), Applicant further proposes a modification to the terms and conditions for the provision of water service to provide that the Utility may disconnect those customers who do not annually have cross connections which may be installed, permitted or maintained between the Utility's water system and any other non-public water system inspected by a licensed certified tester and fail to provide to Utility no later than June 30 of each year a copy of a written inspection report and testing results submitted by the certified tester in accordance with 24A S.C. Code Ann. Regs. R.61-58.7.F (Supp. 2008), as same may be amended from time to time. Applicant also proposes to amend its rate schedule to provide that, in lieu of mailing its customers a paper bill, it may provide an electronic bill to its water and sewer customers on the

Company's website if requested by the customer in writing. Finally, the Company proposes to increase its approved Fire Hydrant fee to be charged per hydrant per year for water service to reflect an increase commensurate with the proposed increase to water service rates.

SUPPORTING DOCUMENTATION

5. Applicant proposes a test year of January 1, 2008, to December 31, 2008, and has prepared certain financial statements relating to that time period in support of the Application, which statements are attached hereto and incorporated herein by this reference as Exhibit "B," pages 1 through 10. These financial statements include the following:

- a. Balance Sheet (Schedule A)
- b. Current and pro forma income and expense statements (Schedule B)
- c. Rate base and rate of return information (Schedule C).¹

Applicant also submits, as Exhibit "B" pages 11 through 14, the following information in support of the Application:

- d. Water and sewer consumption analyses (Schedule D)
- e. Water and sewer proposed revenues (Schedule E)
- f. Schedule of current and projected customers (Schedule F)
- g. Effect of proposed rates (Schedule G)

6. Attached hereto and incorporated herein by this reference as Exhibit "C" is the most recent approval letter from DHEC.

7. Attached hereto and incorporated herein by this reference as Exhibit "D" is the Company's current customer bill form.

¹ These calculations are for informational purposes only as Applicant will submit evidence with respect to proper returns on equity and rate base at hearing.

8. Attached hereto and incorporated herein by this reference as Exhibit "E" is evidence of the Company's most recent Gross Receipts Tax filing.

9. The Company's Annual Report for the last period is on file with this Commission.

10. The Company's current rate schedule as approved by Order No. 2006-582, dated October 9, 2006 is on file with this Commission.

11. There is on file with this Commission a performance bond given to satisfy the requirements of S.C. Code Ann. § 58-5-720 (Supp. 2008).

12. A map depicting Applicant's current service area is on file with the Commission.

13. The financial statements, the other documents submitted herewith, and the references to documents on file with the Commission are offered to comply with Commission Rules R. 103-512.4 and R. 103-712.4 and to provide information useful to the Commission in considering the reasonableness of the proposed rate schedule.²

² Because Applicant utilizes a composite depreciation rate of 1 ½%, no depreciation schedule by categories of plant or average service lives exists. The Applicant will, of course, make available during the audit copies of the Company's depreciation workpapers. Also, in accordance with Order No. 2005-18, Docket No. 2005-83-A, a proposed notice of filing is being transmitted with the instant application.

NEED AND JUSTIFICATION FOR RATE RELIEF

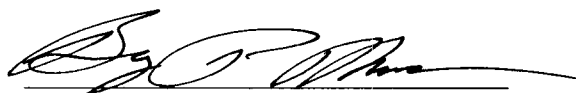
14. Applicant submits that the proposed rate increase is necessary in order that it may provide reasonable and adequate service to its customers, cover its expenses, be permitted an opportunity to earn a reasonable return on its investment, and attract capital for future improvements. Said rates are also necessary in order that the Applicant may comply with the standards and regulations set by DHEC or other environmental regulatory authorities. Said rates will preserve the financial integrity of Applicant, promote continued investment in and maintenance of its facilities, and thereby permit Applicant to continue providing reliable and high quality water and sewer services.

REQUEST FOR RATE BASE TREATMENT

15. Applicant further submits that given its substantial plant investment, and specifically the rate base reflected on Schedule C of Exhibit “B,” Applicant is entitled to have the reasonableness of its proposed rates determined in accordance with the rate of return on rate base methodology. Accordingly, Applicant requests rate base treatment in this proceeding.

WHEREFORE, having fully set forth its Application, Tega Cay Water Service, Inc. prays that the Commission approve the rates proposed and grant to Applicant such other and further relief as the Commission may deem just and proper.

[SIGNATURE PAGE FOLLOWS]



John M. S. Hoefer

Benjamin P. Mustian

Willoughby & Hoefer, P.A.

Post Office Box 8416

Columbia, South Carolina 29202-8416

803-252-3300

Attorneys for Tega Cay Water Service, Inc.

This 16th day of February, 2010.
Columbia, South Carolina

EXHIBIT "A"

TEGA CAY WATER SERVICE, INC.

SCHEDULE OF **PROPOSED** RATES AND CHARGES

I. WATER

1. CHARGE FOR WATER DISTRIBUTION ONLY

Where water is purchased from a government body or agency or other entity for distribution by the Company, the following rates apply:

Residential

Basic Facilities Charge per single family house, condominium, mobile home or apartment unit:

\$9.21 per unit*

Commodity charge:

\$2.06 per 1,000 gallons or 134 cft

*Residential customers with meters of 1" or larger will be charged commercial rate

Commercial

Basic Facilities Charge

\$9.21 per single family equivalent (SFE)

Commodity charge:

\$2.06 per 1,000 gallons or 134 cft

The Utility will also charge for the cost of water purchased from the government body or agency, or other entity. The charges imposed or charged by the government body or agency, or other entity providing the water supply will be charged to the Utility's affected customers on a pro rata basis without markup. Where the Utility is required by regulatory authority with jurisdiction over the Utility to interconnect to the water supply system of a government body or agency or other entity and tap/connection/impact fees are imposed by that

entity, such tap/connection/impact fees will also be charged to the Utility's affected customers on a pro rata basis, without markup.

Commercial customers are those not included in the residential category above and include, but are not limited to hotels, stores, restaurants, offices, industry, etc.

The Utility will, for the convenience of the owner, bill a tenant in a multi-unit building, consisting of four or more residential units, which is served by a master water meter or a single water connection. However, in such cases all arrearages must be satisfied before service will be provided to a new tenant or before interrupted service will be restored. Failure of an owner to pay for services rendered to a tenant in these circumstances may result in service interruptions.

When, because of the method of water line installation utilized by the developer or owner, it is impractical to meter each unit separately, service will be provided through a single meter, and consumption of all units will be averaged; a bill will be calculated based on that average and the result multiplied by the number of units served by a single meter.

2. Nonrecurring Charges

Tap Fees	\$600 per SFE*
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3. Account Set-Up and Reconnection Charges

- a. Customer Account Charge - for new customers only \$30.00
- b. Reconnection Charges: In addition to any other charges that may be due, a reconnection fee of Forty dollars (\$40.00) shall be due prior to the Utility reconnecting service which has been disconnected for any reason set forth in Commission Rule R.103-732.5. Customers who ask to be reconnected within nine months of disconnection will be charged the monthly base facility charge for the service period they were disconnected. The reconnection fee shall also be due prior to reconnection if water service has been disconnected at the request of the customer.

4. Other Services

Fire Hydrant – One Hundred twenty-one dollars and eighty cents (\$121.80) per hydrant per year for water service payable in advance. Any water used should be metered and the commodity charge in Section One (1) above will apply to such usage.

5. Billing Cycle / Late Payment

Recurring charges will be billed monthly in arrears. Nonrecurring charges will be billed and collected in advance of service being provided. Any balance unpaid within twenty-five (25) days of the billing date shall be assessed a late payment charge of one and one-half (1.5%) percent for each month or any part of a month that said payment remains unpaid.

6. Extension of Utility Service Lines and Mains

The Utility shall have no obligation at its expense to extend its utility service lines or mains in order to permit any customer to connect to its water system. However, anyone or any entity which is willing to pay all costs associated with extending an appropriately sized and constructed main or utility service line from his/her/its premises to any appropriate connection point, to pay the appropriate fees and charges set forth in this rate schedule, and comply with the guidelines and standards hereof, shall not be denied service, unless water supply is unavailable or unless the South Carolina Department of Health and Environmental Control or other government entity has restricted the Utility from adding for any reason additional customers to the serving water system. In no event will the Utility be required to construct additional water supply capacity to serve any customer or entity without an agreement acceptable to the Utility first having been reached for the payment of all costs associated with adding water supply capacity to the affected water system.

7. Cross Connection Inspection Fee

Any customer installing, permitting to be installed, or maintaining any cross connection between the Utility's water system and any other non-public water system, sewer or a line from any container of liquids or other substances, must install an approved back-flow prevention device in accordance with 24A S.C. Code Ann. Regs. R.61-58.7.F (Supp. 2008), as may be amended from time to time. Such a customer shall annually have such cross connection inspected by a licensed certified tester and provide to Utility a copy of a written inspection report and testing results submitted by the certified tester in accordance with 24A S.C. Code Ann. Regs. R.61-58.7.F (Supp. 2008), as may be amended from time to time. Said report and results must be provided by the customer to the Utility no later than June 30th of each year. If a customer fails to comply with the requirement to perform annual inspections, the utility may, after 30 days' written notice, disconnect water service.

8. Electronic Billing and Electronic Payment

If requested by the customer in writing and within the capability of the Utility, the Utility may, in lieu of mailing a paper copy, provide an electronic bill to the customer on the Utility's website. The electronic bill shall contain the same content and be presented in the same or a similar format as a bill delivered to the customer pursuant to Commission Rule R. 103-732.2 (Supp. 2008) as may be amended from time to time.

* A Single Family Equivalent (SFE) shall be determined by using the South Carolina Department of Environmental Control Guidelines for Unit Contributory Loadings for Domestic Wastewater Treatment Facilities -- 25 S.C. Code Ann. Regs. 61-67 Appendix A (Supp. 2005), as may be amended from time to time. Where applicable, such guidelines shall be used for determination of the appropriate monthly service and tap fee.

II. SEWER

1. Monthly Charges

Residential - charge per
single-family house, condominium,
villa, mobile home or apartment unit: \$40.12 per unit

Commercial: \$40.12 per SFE*

Commercial customers are those not included in the residential category above and include, but are not limited to, hotels, stores, restaurants, offices, industry, etc.

The Utility will also charge for treatment services provided by the government body or agency, or other entity. The rates imposed or charged by the government body or agency, or other, entity providing treatment will be charged to the Utility's affected customers on a pro rata basis, without markup. Where the Utility is required under the terms of a 201/208 Plan, or by other regulatory authority with jurisdiction over the Utility, to interconnect to the sewage treatment system of a government body or agency or other entity and tap/connection/impact fees are imposed by that entity, such tap/connection/impact fees will be charged to the Utility's affected customers on a pro rata basis, without markup.

The Utility will, for the convenience of the owner, bill a tenant in a multi-unit building, consisting of four or more residential units, which is served by a master sewer meter or a single sewer connection. However, in such cases all arrearages must be satisfied before service will be provided to a new tenant or before interrupted service will be restored. Failure of an owner to pay for services rendered to a tenant in these circumstances may result in service interruptions.

2. Nonrecurring Charges

Tap Fees (which includes sewer
Service connection charges and
capacity charges) \$1,200.00 per SFE*

The nonrecurring charges listed above are minimum charges and apply even if the equivalency rating of a non residential customer is less than one (1). If the equivalency rating of a non residential customer is greater than one (1), then the proper charge may be obtained by multiplying the equivalency rating by the

appropriate fee. These charges apply and are due at the time new service is applied for, or at the time connection to the sewer system is requested.

3. Notification, Account Set-Up and Reconnection Charges

a. Notification Fee

A fee of fifteen (\$15.00) dollars shall be charged each customer to whom the Utility mails the notice as required by Commission Rule R. 103-535.1 prior to service being discontinued. This fee assesses a portion of the clerical and mailing costs of such notices to the customers creating the cost.

b. Customer Account Charge - for new customers only.

A fee of twenty-five (\$25.00) dollars shall be charged as a one-time fee to defray the costs of initiating service. This charge will be waived if the customer is also a water customer.

c. Reconnection Charges: In addition to any other charges that may be due, a reconnection fee of two hundred fifty (\$250.00) dollars shall be due prior to the Utility reconnecting service which has been disconnected for any reason set forth in Commission Rule R.103-532.4.

4. Billing Cycle

Recurring charges will be billed monthly, in arrears. Nonrecurring charges will be billed and collected in advance of service being provided.

5. Extension of Utility Service Lines and Mains

The Utility shall have no obligation at its expense to extend its utility service lines or mains in order to permit any customer to discharge acceptable wastewater into one of its sewer systems. However, anyone or any entity which is willing to pay all costs associated with extending an appropriately sized and constructed main or utility service line from his/her/its premises to an appropriate connection point, to pay the appropriate fees and charges set forth in this rate schedule and to comply with the guidelines and standards hereof, shall not be denied service, unless treatment capacity is unavailable or unless the South Carolina Department of Health and Environmental Control or other government entity has restricted the Utility from adding for any reason additional customers to the serving sewer system. In no event will the Utility be required to construct additional wastewater treatment capacity to serve any customer or entity without an agreement acceptable to the Utility first having been reached for the payment of

all costs associated with adding wastewater treatment capacity to the affected sewer system.

6. Toxic and Pretreatment Effluent Guidelines

The Utility will not accept or treat any substance or material that has been defined by the United States Environmental Protection Agency ("EPA") or the South Carolina Department of Environmental Control ("DHEC") as a toxic pollutant, hazardous waste, or hazardous substance, including pollutants falling within the provisions of 40 CFR 129.4 and 401.15. Additionally, pollutants or pollutant properties subject to 40 CFR 403.5 and 403.6 are to be processed according to the pretreatment standards applicable to such pollutants or pollutant properties, and such standards constitute the Utility's minimum pretreatment standards. Any person or entity introducing any such prohibited or untreated materials into the Company's sewer system may have service interrupted without notice until such discharges cease, and shall be liable to the Utility for all damages and costs, including reasonable attorney's fees, incurred by the Utility as a result thereof.

7. Electronic Billing and Electronic Payment

If requested by the customer in writing and within the capability of the Utility, the Utility may, in lieu of mailing a paper copy, provide an electronic bill to the customer on the Utility's website. The electronic bill shall contain the same content and be presented in the same or a similar format as a bill delivered to the customer pursuant to Commission Rule R. 103-532.1 (Supp. 2008) as may be amended from time to time.

*A Single Family Equivalent (SFE) shall be determined by using the South Carolina Department of Environmental Control Guidelines for Unit Contributory Loading for Domestic Wastewater Treatment Facilities --25 S.C. Code Ann. Regs. 61-67 Appendix A (Supp. 2005), as may be amended from time to time. Where applicable, such guidelines shall be used for determination of the appropriate monthly service and tap fee

Tega Cay Water Service, Inc.
BALANCE SHEET
12/31/2008

Schedule A

<u>ASSETS</u>		<u>LIABILITIES AND OTHER CREDITS</u>	
Plant In Service		Capital Stock and Retained Earnings	
Water	\$ 2,653,429	Common Stock and Paid In Capital	\$ (2,694,890)
Sewer	9,819,202	Retained Earnings	975,751
Total	\$ 12,472,631	Total	\$ (1,719,139)
Accumulated Depreciation-Water	(740,755)	Current and Accrued Liabilities	
Accumulated Depreciation-Sewer	(2,861,197)	Accounts Payable-Trade	(72,266)
Total	\$ (3,601,952)	Taxes Accrued	(1,289)
Net Utility Plant	\$ 8,870,678	Customer Deposits	(22,445)
		Customer Deposits - Interest	(28,782)
		A/P - Assoc. Companies	310,782
		Deferred Revenue	-
Plant Acquisition Adjustment-Water	-	Total	\$ 186,001
Plant Acquisition Adjustment-Sewer	-	Advances In Aid of Construction	
Total	\$ -	Water	-
		Sewer	-
Construction Work In Process-Water	1,522	Total	\$ -
Construction Work In Process-Sewer	364,680	Contributions In Aid of Construction	
Total	\$ 366,202	Water	(1,576,239)
Current Assets		Sewer	(4,749,881)
Cash	(78)	Total	\$ (6,326,120)
Accounts Receivable - Net	(739,886)	Accumulated Deferred Income Tax	
Other Current Assets	162,691	Unamortized ITC	-
Total	\$ (577,273)	Deferred Tax - Federal	(616,145)
Deferred Charges	(183,509)	Deferred Tax - State	(695)
TOTAL ASSETS	\$ 8,476,098	Total	\$ (616,840)
		TOTAL LIABILITIES AND OTHER CREDITS	\$ (8,476,098)

	Per Books	Pro Forma Adjustments	Pro Forma Present	Proposed Increase	Pro Forma Proposed
Operating Revenues					
Service Revenues - Water	\$ 366,602	\$ (3,938) [a]	\$ 362,664	\$ 79,390 [l]	\$ 442,054
Service Revenues - Sewer	736,879	2,984 [a]	739,863	159,612 [l]	899,475
Miscellaneous Revenues	24,252	-	24,252	-	24,252
Uncollectible Accounts	(7,790)	(7,768) [q]	(15,558)	(3,381) [b]	(18,939)
Total Operating Revenues	1,119,943	(8,721)	1,111,222	235,621	1,346,842
Maintenance Expenses					
Salaries and Wages	195,274	(40,714) [c]	154,560	-	154,560
Purchased Power	54,879	3,123 [j]	58,001	-	58,001
Purchased Sewer & Water	(84,298)	80,152 [r]	(4,146)	-	(4,146)
Maintenance and Repair	230,065	(5,305) [j][t]	224,760	-	224,760
Maintenance Testing	37,380	(8,170) [m]	29,210	-	29,210
Chemicals	23,314	1,327 [j]	24,640	-	24,640
Transportation	37,915	(4,135) [j][o]	33,780	-	33,780
Operating Exp. Charged to Plant	(52,642)	(6,997) [n]	(59,639)	-	(59,639)
Outside Services - Other	26,089	-	26,089	-	26,089
Total	467,976	19,280	487,256	-	487,256
General Expenses					
Salaries and Wages	105,000	(23,393) [c]	81,607	-	81,607
Office Supplies & Other Office Exp.	40,311	2,294 [j]	42,604	-	42,604
Regulatory Commission Exp.	54,588	30,796 [d]	85,384	-	85,384
Pension & Other Benefits	62,718	4,805 [c]	67,522	-	67,522
Insurance	27,675	-	27,675	-	27,675
Office Utilities	24,677	1,404 [j]	26,081	-	26,081
Miscellaneous	18,198	-	18,198	-	18,198
Total	333,167	15,905	349,072	-	349,072
Depreciation	291,862	(90,781) [e][p]	201,082	-	201,082
Taxes Other Than Income	90,700	19,089 [f][s]	109,789	2,689 [f][s]	112,478
Deferred Income Tax - Fed	(19,773)	-	(19,773)	-	(19,773)
Deferred Income Tax - State	(3,060)	-	(3,060)	-	(3,060)
Income Taxes - Federal	8,266	(11,604) [g]	(3,338)	75,237 [g]	71,899
Income Taxes - State	(5,855)	5,338 [g]	(517)	11,647 [g]	11,130
Amortization of CIAC	(173,350)	43,120 [e]	(130,230)	-	(130,230)
Total	188,791	(34,837)	153,954	89,573	243,526
Total Operating Expenses	989,934	348	990,282	89,573	1,079,855
Net Operating Income	130,009	(9,070)	120,939	146,048	266,987
Interest During Construction	(24,894)	24,894 [h]	-	-	-
Interest on Debt	142,758	(38,172) [i]	104,586	-	104,586
Net Income	\$ 12,145	\$ 4,208	\$ 16,354	\$ 146,048	\$ 162,401

	Per Books	Pro Forma Adjustments	Pro Forma Present	Proposed Increase	Pro Forma Proposed
Operating Revenues					
Service Revenues - Water	\$ 366,602	\$ (3,938) [a]	\$ 362,664	\$ 79,390 [l]	\$ 442,054
Service Revenues - Sewer	-	-	-	-	-
Miscellaneous Revenues	8,057	-	8,057	-	8,057
Uncollectible Accounts	(2,588)	(5,243) [q]	(7,831)	(1,714) [b]	(9,546)
Total Operating Revenues	372,071	(9,181)	362,890	77,676	440,566
Maintenance Expenses					
Salaries and Wages	98,295	(20,494) [c]	77,801	-	77,801
Purchased Power	6,595	375 [j]	6,970	-	6,970
Purchased Water	(84,298)	80,152 [r]	(4,146)	-	(4,146)
Maintenance and Repair	43,734	(6,771) [j][t]	36,963	-	36,963
Maintenance Testing	22,413	(4,112) [m]	18,301	-	18,301
Chemicals	11,735	668 [j]	12,403	-	12,403
Transportation	19,085	(2,082) [j][o]	17,004	-	17,004
Operating Exp. Charged to Plant	(26,498)	(3,522) [n]	(30,020)	-	(30,020)
Outside Services - Other	13,132	-	13,132	-	13,132
Total	104,194	44,214	148,408	-	148,408
General Expenses					
Salaries and Wages	52,854	(11,775) [c]	41,078	-	41,078
Office Supplies & Other Office Exp.	20,291	1,155 [j]	21,446	-	21,446
Regulatory Commission Exp.	27,478	15,502 [d]	42,979	-	42,979
Pension & Other Benefits	31,570	2,418 [c]	33,989	-	33,989
Insurance	13,931	-	13,931	-	13,931
Office Utilities	12,422	707 [j]	13,129	-	13,129
Miscellaneous	9,160	-	9,160	-	9,160
Total	167,705	8,006	175,712	-	175,712
Depreciation	81,853	(22,241) [e][p]	59,612	-	59,612
Taxes Other Than Income	42,653	9,609 [f][s]	52,261	893 [f][s]	53,155
Deferred Income Tax - Fed	(6,569)	-	(6,569)	-	(6,569)
Deferred Income Tax - State	(1,017)	-	(1,017)	-	(1,017)
Income Taxes - Federal	2,746	(20,401) [g]	(17,654)	24,801 [g]	7,146
Income Taxes - State	(1,945)	(788) [g]	(2,733)	3,839 [g]	1,106
Amortization of CIAC	(42,933)	10,646 [e]	(32,287)	-	(32,287)
Total	74,788	(23,174)	51,614	29,533	81,147
Total Operating Expenses	346,688	29,046	375,734	29,533	405,267
Net Operating Income	25,383	(38,227)	(12,844)	48,143	35,299
Interest During Construction	(5,079)	5,079 [h]	-	-	-
Interest on Debt	28,852	(15,011) [i]	13,841	-	13,841
Net Income	\$ 1,611	\$ (28,295)	\$ (26,685)	\$ 48,143	\$ 21,458

	Per Books	Pro Forma Adjustments	Pro Forma Present	Proposed Increase	Pro Forma Proposed
Operating Revenues					
Service Revenues - Water	-	-	-	-	-
Service Revenues - Sewer	\$ 736,879	\$ 2,984 [a]	\$ 739,863	\$ 159,612 [l]	\$ 899,475
Miscellaneous Revenues	16,195	-	16,195	-	16,195
Uncollectible Accounts	(5,202)	(2,524) [q]	(7,726)	(1,667) [b]	(9,393)
Total Operating Revenues	747,872	460	748,332	157,945	906,277
Maintenance Expenses					
Salaries and Wages	96,980	(20,220) [c]	76,760	-	76,760
Purchased Power	48,284	2,747 [j]	51,031	-	51,031
Purchased Sewer & Water	-	-	-	-	-
Maintenance and Repair	186,331	1,466 [j][t]	187,797	-	187,797
Maintenance Testing	14,967	(4,057) [m]	10,909	-	10,909
Chemicals	11,578	659 [j]	12,237	-	12,237
Transportation	18,830	(2,054) [j][o]	16,776	-	16,776
Operating Exp. Charged to Plant	(26,144)	(3,475) [n]	(29,618)	-	(29,618)
Outside Services - Other	12,957	-	12,957	-	12,957
Total	363,782	(24,933)	338,849	-	338,849
General Expenses					
Salaries and Wages	52,146	(11,618) [c]	40,529	-	40,529
Office Supplies & Other Office Exp.	20,020	1,139 [j]	21,159	-	21,159
Regulatory Commission Exp.	27,110	15,294 [d]	42,404	-	42,404
Pension & Other Benefits	31,148	2,386 [c]	33,534	-	33,534
Insurance	13,744	-	13,744	-	13,744
Office Utilities	12,256	697 [j]	12,953	-	12,953
Miscellaneous	9,038	-	9,038	-	9,038
Total	165,462	7,899	173,361	-	173,361
Depreciation	210,009	(68,540) [e][p]	141,469	-	141,469
Taxes Other Than Income	48,048	9,480 [f][s]	57,528	1,796 [f][s]	59,324
Deferred Income Tax - Fed	(13,204)	-	(13,204)	-	(13,204)
Deferred Income Tax - State	(2,043)	-	(2,043)	-	(2,043)
Income Taxes - Federal	5,520	8,797 [g]	14,317	50,436 [g]	64,753
Income Taxes - State	(3,910)	6,126 [g]	2,216	7,807 [g]	10,024
Amortization of CIAC	(130,417)	32,474 [e]	(97,943)	-	(97,943)
Total	114,003	(11,663)	102,339	60,040	162,379
Total Operating Expenses	643,246	(28,698)	614,549	60,040	674,588
Net Operating Income	104,626	29,157	133,783	97,905	231,689
Interest During Construction	(19,815)	19,815 [h]	-	-	-
Interest on Debt	113,906	(23,161) [i]	90,745	-	90,745
Net Income	\$ 10,535	\$ 32,504	\$ 43,038	\$ 97,905	\$ 140,944

- [a] Revenues are annualized at proposed rates using the average test year customers.
- [b] Uncollectible Accounts are adjusted based on the percentage of uncollectible accounts to revenues in the test year applied to pro forma proposed revenues.
- [c] Salaries, Wages and Benefits are adjusted to annualize as of the end of the year.
- [d] Regulatory Commission Expense has been adjusted to reflect the cost of the current rate case over 3 years.
- [e] Depreciation and Amortization Expense are annualized. Depreciation expense represents gross depreciable plant at the end of the year plus pro forma projects multiplied by their respective depreciation rates.
- [f] Taxes Other than Income is adjusted for annualized payroll taxes, Utility Commission Taxes, and Gross Receipts Taxes.
- [g] Income Taxes are computed on taxable income at current rates (35% federal and 5% state).
- [h] AFUDC is eliminated for rate making purposes.
- [i] Interest on Debt has been computed using a 53.30% / 46.70% debt / equity ratio and a 6.60% cost of debt.
- [j] A consumer price index increase of 5.69% has been included in this filing.
- [k] Penalties, if incurred, are removed.
- [l] Proposed revenue increase derive from Sch. D & E.
- [m] Adjustment to DHEC fees.
- [n] Adjustment to Operating Exp. Charged to Plant.
- [o] Transportation expense adjustment to reflect ERC allocation methodology.
- [p] Depreciation Expense adjustment to reflect ERC allocation methodology for vehicles & computers.
- [q] Adjustment to uncollectibles based on uncollectibles aging report as of 5/31/09.
- [r] Adjustments to purchased water revenues due to timing differences.
- [s] Adjustments to real estate tax and motor vehicle property tax.
- [t] Removal of deferred maintenance amortization per commission ordered adjustments in Docket No. 2006-97-WS.

	Per Books	Pro Forma Adjustments	As Adjusted	Proposed Increase	Effect of Proposed Increase
Net Operating Income	\$ 130,009	(9,070)	\$ 120,939	146,048	\$ 266,987
Gross Plant In Service	\$ 12,472,631	639,204 [c]	13,111,835	-	\$ 13,111,835
Accumulated Depreciation	(3,601,952)	382,435 [b]	(3,219,517)	-	(3,219,517)
Net Plant In Service	8,870,678	1,021,640	9,892,318	-	9,892,318
Cash Working Capital	111,480	6,785 [a]	118,265	-	118,265
Contributions In Aid of Construction	(6,326,120)	(43,120) [d]	(6,369,241)	-	(6,369,241)
Advances in Aid of Construction	-	-	-	-	-
Accumulated Deferred Income Taxes	(616,840)	-	(616,840)	-	(616,840)
Customer Deposits	(51,227)	-	(51,227)	-	(51,227)
Total Rate Base	\$ 1,987,971	\$ 985,304	\$ 2,973,276	\$ -	\$ 2,973,276
Return on Rate Base	6.54%		4.07%		8.98%

The return on rate base shown above is calculated using a return on common equity of 11.70%; however, the return on rate base and return on common equity are provided solely as a matter of information and convenience for the Commission and is not intended to reflect a request for this specific return on rate base (or any specific return on equity). Applicant will make its request for a return on rate base (and return on common equity) by way of evidence to be introduced at hearing.

	Per Books	Pro Forma Adjustments	As Adjusted	Proposed Increase	Effect of Proposed Increase
Net Operating Income	25,383	(38,227)	(12,844)	48,143	35,299
Gross Plant In Service	\$ 2,653,429	340,735	[c] 2,994,163	-	2,994,163
Accumulated Depreciation	(740,755)	44,427	[b] (696,328)	-	(696,328)
Net Plant In Service	1,912,673	385,162	2,297,835	-	2,297,835
Cash Working Capital	39,319	7,729	[a] 47,048	-	47,048
Contributions In Aid of Construction	(1,576,239)	(10,646)	[d] (1,586,886)	-	(1,586,886)
Advances in Aid of Construction	-	-	-	-	-
Accumulated Deferred Income Taxes	(338,729)	-	(338,729)	-	(338,729)
Customer Deposits	(25,786)	-	(25,786)	-	(25,786)
Total Rate Base	\$ 11,238	\$ 382,245	\$ 393,482	\$ -	\$ 393,482
Return on Rate Base	225.87%		-3.26%		8.97%

The return on rate base shown above is calculated using a return on common equity of 11.70%; however, the return on rate base and return on common equity are provided solely as a matter of information and convenience for the Commission and is not intended to reflect a request for this specific return on rate base (or any specific return on equity). Applicant will make its request for a return on rate base (and return on common equity) by way of evidence to be introduced at hearing.

	Per Books	Pro Forma Adjustments	As Adjusted	Proposed Increase	Effect of Proposed Increase
Net Operating Income	104,626	29,157	133,783	97,905	231,689
Gross Plant In Service	\$ 9,819,202	298,470 [c]	10,117,672	-	10,117,672
Accumulated Depreciation	(2,861,197)	338,008 [b]	(2,523,189)	-	(2,523,189)
Net Plant In Service	6,958,005	636,478	7,594,483	-	7,594,483
Cash Working Capital	72,161	(944) [a]	71,217	-	71,217
Contributions In Aid of Construction	(4,749,881)	(32,474) [d]	(4,782,355)	-	(4,782,355)
Advances in Aid of Construction	-	-	-	-	-
Accumulated Deferred Income Taxes	(278,111)	-	(278,111)	-	(278,111)
Customer Deposits	(25,441)	-	(25,441)	-	(25,441)
Total Rate Base	\$ 1,976,733	\$ 603,060	\$ 2,579,793	\$ -	\$ 2,579,793
Return on Rate Base	5.29%		5.19%		8.98%

The return on rate base shown above is calculated using a return on common equity of 11.70%; however, the return on rate base and return on common equity are provided solely as a matter of information and convenience for the Commission and is not intended to reflect a request for this specific return on rate base (or any specific return on equity). Applicant will make its request for a return on rate base (and return on common equity) by way of evidence to be introduced at hearing.

		G/L W & S 12/31/08	G/L Water 12/31/08	G/L Sewer 12/31/08
1020	ORGANIZATION	125,040	125,040	-
1025	FRANCHISES	9,375	9,375	-
1045	LAND & LAND RIGHTS GEN PL	2,961	2,961	-
1050	STRUCT & IMPRV SRC SUPPLY	68,975	68,975	-
1055	STRUCT & IMPRV WTR TRT PL	10,685	10,685	-
1080	WELLS & SPRINGS	(351,290)	(351,290)	-
1090	SUPPLY MAINS	6,181	6,181	-
1105	ELECTRIC PUMP EQUIP WTP	19,698	19,698	-
1115	WATER TREATMENT EQPT	59,601	59,601	-
1120	DIST RESV & STANDPIPES	248,233	248,233	-
1125	TRANS & DISTR MAINS	1,387,576	1,387,576	-
1130	SERVICE LINES	525,692	525,692	-
1135	METERS	33,026	33,026	-
1140	METER INSTALLATIONS	99,511	99,511	-
1145	HYDRANTS	87,305	87,305	-
1175	OFFICE STRUCT & IMPRV	93,749	47,190	46,559
1180	OFFICE FURN & EQPT	64,580	32,508	32,073
1190	TOOL SHOP & MISC EQPT	64,214	32,323	31,891
1195	LABORATORY EQUIPMENT	15,910	8,009	7,902
1205	COMMUNICATION EQPT	18,086	9,104	8,982
1220	OTHER TANGIBLE PLT WATER	(90,318)	(90,318)	-
1245	ORGANIZATION	119,455	-	119,455
1285	LAND & LAND RIGHTS GEN PL	8,075	-	8,075
1295	STRUCT/IMPRV PUMP PLT LS	745,044	-	745,044
1315	STRUCT/IMPRV GEN PLT	87,022	-	87,022
1330	POWER GEN EQUIP TREAT PLT	11,030	-	11,030
1345	SEWER FORCE MAIN	481,997	-	481,997
1350	SEWER GRAVITY MAIN	5,807,560	-	5,807,560
1360	SERVICES TO CUSTOMERS	1,697	-	1,697
1380	PUMPING EQUIPMENT PUMP PL	5,481	-	5,481
1395	TREAT/DISP EQUIP LAGOON	1,578	-	1,578
1400	TREAT/DISP EQUIP TRT PLT	2,131,299	-	2,131,299
1420	OUTFALL LINES	3,160	-	3,160
1435	OTHER PLT PUMP	855	-	855
1440	OTHER PLT TREATMENT	1,186	-	1,186
1470	TOOL SHOP & MISC EQPT	4,869	2,451	2,418
1480	POWER OPERATED EQUIP	348	175	173
1485	COMMUNICATION EQPT	757	381	376
1540	REUSE TRANSMISSION & DIST	8,088	-	8,088
2620	UTIL PLANT ACQUIRED/DISPO	104,490	52,597	51,893
	Plant In Service	12,022,778	2,426,987	9,595,791
1555	TRANSPORTATION EQPT WTR	123,029	61,929	61,100
	COMPUTER EQUIPMENT	123,029	61,929	61,100
1580	MAINFRAME COMPUTER WTR	7,579	3,815	3,764
1585	MINI COMPUTERS WTR	53,309	26,834	26,475
1590	COMP SYS COST WTR	258,609	130,176	128,434
1595	MICRO SYS COST WTR	7,325	3,687	3,638
	Computer Equipment	326,823	164,512	162,311
	Total Plant	12,472,631	2,653,429	9,819,202

- [a] Working Capital is calculated based on pro forma expenses.
- [b] Accumulated depreciation is adjusted for planned additional capital investments, retirements, and plant held for future use. Computers and Vehicles A/D is recalculated based on the ERC allocation methodology.
- [c] General ledger additions & pro-forma plant/retirements up to rate base cut off date are added.
- [d] CIAC: CIAC amortization expense is annualized using the appropriate amortization rate.

WATER		Jan-May			Jun-Dec			Total		
Bill code	Description	Usage Charge	BFC	Gallons	Units	Revenues	Gallons	Units	Revenues	
All Subs:										
48501	5/8" Res Wtr.	1.69	7.56	45,599,283	10,122	153,585	63,159,183	11,789	195,864	349,449
48502	5/8" Commercial Wtr.	1.69	7.56	246,290	90	1,097	328,170	101	1,318	2,415
48505	1" Commercial Wtr.	1.69	7.56	56,310	42	413	217,210	46	715	1,128
48506	2" Commercial Wtr.	1.69	7.56	517,200	6	919	276,800	5	506	1,425
48540	Hydrant Rental	-	8.33	-	990	8,247	-	-	-	8,247
				46,419,083	11,250	164,261	63,981,363	11,941	198,403	362,664
SEWER										
Bill code	Description	Usage Charge	Rate	Gallons	Units	Revenues	Gallons	Units	Revenues	
All Subs:										
48521	5/8" Res Sewer	-	\$ 33.02	-	10,116	\$ 334,030	63,106,833	11,783	\$ 389,075	723,105
48522	5/8" Commercial Swr.	-	33.02	-	42	1,387	328,170	48	1,585	2,972
48523	1" Commercial Swr.	-	33.02	-	12	396	58,320	14	462	858
48524	2" Commercial Swr.	-	33.02	-	402	13,274	276,800	-	-	13,274
				-	10,572	\$ 349,087	63,770,123	11,845	\$ 391,122	740,209
Total				46,419,083	21,822	\$ 513,348	127,751,486	23,786	\$ 589,525	1,102,873

WATER

Bill code	Description	Usage Charge	BFC	Gallonsage	Units	Jan-Dec Revenues
All Subs:						
48501	5/8" Res Wtr.	\$ 2.06	\$ 9.21	108,758,466	21,911	\$ 425,948
48502	5/8" Commercial Wtr.	\$ 2.06	\$ 9.21	574,460	191	\$ 2,943
48505	1" Commercial Wtr.	\$ 2.06	\$ 9.21	273,520	88	\$ 1,374
48506	2" Commercial Wtr.	\$ 2.06	\$ 9.21	794,000	11	\$ 1,737
48540	Hydrant Rental	-	\$ 10.15	-	990	10,052
Total				110,400,446	23,191	\$ 442,054

SEWER

Bill code	Description	Usage Charge	Rate	Gallonsage	Units	Jan-Dec Revenues
All Subs:						
48521	5/8" Res. Sewer	\$ -	\$ 40.12	-	21,899	\$ 878,691
48522	5/8" Commercial Swr.	-	40.12	-	90	3,611
48523	1" Commercial Swr.	-	40.12	-	26	1,043
48524	2" Commercial Swr.	-	40.12	-	402	16,130
Total				-	22,417	\$ 899,475
Grand Total				110,400,446	45,608	\$ 1,341,529

Tega Cay Water Service, Inc.
Test Year Ended December 31, 2008
Customer Growth

Schedule F

Water

Customers at 01/01/08	1782
Customers at 12/31/08	1645
Projected Customers at 12/31/09	1787

Sewer

Customers at 01/01/08	1713
Customers at 12/31/08	1550
Projected Customers at 12/31/09	1691

Schedule G

Tega Cay Water Service, Inc.
Average Residential Bill @ Present & Proposed Rates
Test Year Ended December 31, 2008

WATER								
Current	Description	Current Rate		Average		Increase		Date of Last Rate Increase
		Usage	Base	Usage	Bill	Amount	Percent	
48501	5/8" Res Wtr.	1.69	7.56	4,504.97	15.17			17-Oct-06
48502	5/8" Commercial Wtr.	1.69	7.56	2,736.56	12.18			17-Oct-06
48505	1" Commercial Wtr.	1.69	7.56	1,340.71	9.83			17-Oct-06
48506	2" Commercial Wtr.	1.69	7.56	86,200.00	153.24			17-Oct-06
48540	Hydrant Rental	-	8.33	-	8.33			17-Oct-06
Proposed	Description							
48501	5/8" Res Wtr.	2.06	9.21	4,504.97	18.49	3.32	21.9%	
48502	5/8" Commercial Wtr.	2.06	9.21	2,736.56	14.85	2.66	21.9%	
48505	1" Commercial Wtr.	2.06	9.21	1,340.71	11.97	2.15	21.8%	
48506	2" Commercial Wtr.	2.06	9.21	86,200.00	186.78	33.54	21.9%	
48540	Hydrant Rental	-	10.15	-	10.15	1.82	21.8%	

SEWER								
Current	Description	Current Rate		Average		Increase		Date of Last Rate Increase
		Usage	Base	Usage	Bill	Amount	Percent	
48521	5/8" Res. Sewer	-	33.02	-	33.02			17-Oct-06
48522	5/8" Commercial Swr.	-	33.02	-	33.02			17-Oct-06
48523	1" Commercial Swr.	-	33.02	-	33.02			17-Oct-06
48524	2" Commercial Swr.	-	33.02	-	33.02			17-Oct-06
Proposed	Description							
48521	5/8" Res. Sewer	-	40.12	-	40.12	7.10	21.5%	
48522	5/8" Commercial Swr.	-	40.12	-	40.12	7.10	21.5%	
48523	1" Commercial Swr.	-	40.12	-	40.12	7.10	21.5%	
48524	2" Commercial Swr.	-	40.12	-	40.12	7.10	21.5%	

BOARD:
Paul C. Aughtry, III
Chairman

Edwin H. Cooper, III
Vice Chairman

Steven G. Kisner
Secretary



C. Earl Hunter, Commissioner

Promoting and protecting the health of the public and the environment

BOARD:
Henry C. Scott

M. David Mitchell, MD

Glenn A. McCall

Coleman F. Buckhouse, MD

February 12, 2010

Benjamin P. Mustian, Esquire
Willoughby & Hoefer, P.A.
930 Richland Street
Post Office Box 8416
Columbia, South Carolina 29202

RE: Your letter of February 10, 2010
Tega Cay Water Service, Inc.

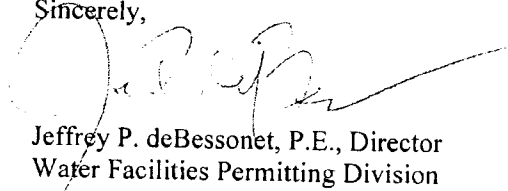
Dear Mr. Mustian:

This letter affirms that Tega Cay Water Service, Inc. has valid DHEC permits to operate the systems noted below:

Sub #	System Name	Drinking Water System #	NPDES #
485	Tega Cay	4650005	
485	Tega Cay WWTP #2		SC0026743
485	Tega Cay WWTP #3 & #4		SC0026751

I can be reached at 803-898-4157 or at debessjp@dhec.sc.gov.

Sincerely,


Jeffrey P. deBessonnet, P.E., Director
Water Facilities Permitting Division

cc: Shawn Clarke
Mike Montebello

Exhibit C



Tega Cay Water Service Inc
 Customer Service: (800) 367-4314
 Collections: (800) 367-4314
 Phone: (800) 367-4314
 www.uiwater.com

Bill Date	Account Number	Due Date	Please Pay:
01/21/2010		2/15/2010	\$64.97

Name [REDACTED] Primary Telephone # [REDACTED]

Service Address [REDACTED]

Activity Since Last Bill

Previous Balance	\$63.43
Payments received as of 01/21/2010	\$-63.43
Balance as of 01/21/2010	\$0.00

Residential Water Service

Water Base Charge	\$7.56
Distribution 4,780 gallons at \$1.69 per 1,000 gallons	\$8.08
Supply 4,780 gallons at \$3.26 per 1,000 gallons	\$15.58
York County Base Charge	\$0.39
SC DHEC Fee	\$0.34
Total Residential Water Service	\$31.95

Residential Wastewater Service

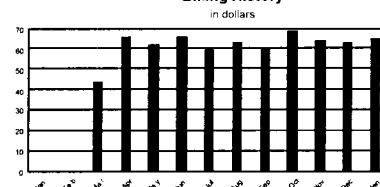
Wastewater Service	\$33.02
Total Residential Wastewater Service	\$33.02

Total Amount Due \$64.97

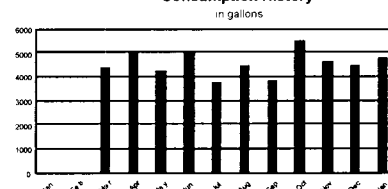
Summary of Service

Meter Reading	Meter #	33457246
Current	975460	01/14/2010
Previous	970680	12/14/2009
Usage	4,780 Gallons	
Number of Days:	31	
Average Daily Use:	154 Gallons	
Average Daily Cost:	\$2.10	

Billing History



Consumption History



A fee of 1.5% per month will be added if unpaid by the due date.
 Make check payable to: Tega Cay Water Service Inc

Messages



PO Box 4509
 West Columbia SC 29171-4509

#BWBCGPK



Account Number:	[REDACTED]	Amount Paid
Due Date:	2/15/2010	
Please Pay:	\$64.97	

Tega Cay Water Service Inc
 PO Box 11025
 Lewiston ME 04243-9476

☐ Address correction requested on back

State of South Carolina
Department of Revenue
301 Gervais Street, P. O. Box 125, Columbia, South Carolina 29214

PSC UTILITY ASSESSMENT

Batch 59381

Doc 176447

ENTERED

JUL 8 - 2009

G/L ACCT. CODE:

Authorized Signature / Title

Phone Number

Date

Please attach your remittance to the enclosed copy of this notice and send it to:

SOUTH CAROLINA DEPARTMENT OF REVENUE
LICENSE TAX OFFICE AUDIT
(Address Above)

PHONE NUMBER: (803) 896-1970

Tega Cay
 GL by Business Unit
 From: 01/01/09
 To: 12/31/09

G/L by Business Unit

G/L Account	Explanations	Do	G/L	Amount		Current	
		Document	Date	Co	Debit	Credit	Balance
	Tega Cay Water Service In			406			
	Tega Cay Water Service Inc W			406			

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PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKETING DEPARTMENT

NOTICE OF FILING AND HEARING

DOCKET NO. 2009-473-WS

TEGA CAY WATER SERVICE, INC. – APPLICATION FOR ADJUSTMENT OF RATES AND CHARGES AND MODIFICATIONS TO CERTAIN TERMS AND CONDITIONS FOR THE PROVISION OF WATER AND SEWER SERVICE

Tega Cay Water Service, Inc. (Tega Cay or the Company) has filed an Application with the Public Service Commission of South Carolina (the Commission) for an adjustment of the Company's rates and charges and modification of certain terms and conditions for the provision of water and sewer service. Tega Cay is a public utility, as defined by S.C. Code Ann. § 58-5-10(3) (Supp. 2008), providing water and sewer service to the public for compensation in certain areas of South Carolina pursuant to rates approved by the Commission in Docket No. 2006-97-W/S.

Pursuant to S.C. Code Ann. § 58-5-240 (Supp. 2008) and 26 S.C. Code Ann. Regs. 103-512.4.A and 103-712.4.A (Supp. 2008), the Company requests that the Commission approve an increase in its monthly water and sewer service rates. Pursuant to R. 103-703 (1976), Applicant further proposes a modification to the terms and conditions for the provision of water service to provide that the Utility may disconnect those customers who do not annually have cross connections which may be installed, permitted or maintained between the Utility's water system and any other non-public water system inspected by a licensed certified tester and fail to provide to Utility no later than June 30 of each year a copy of a written inspection report and testing results submitted by the certified tester in accordance with 24A S.C. Code Ann. Regs. R.61-58.7.F (Supp. 2008), as same may be amended from time to time. Applicant also proposes to amend its rate schedule to provide that, in lieu of mailing its customers a paper bill, it may provide an electronic bill to its water and sewer customers on the Company's website if requested by the customer in writing. Finally, the Company proposes to increase its approved Fire Hydrant fee to be charged per hydrant per year for water service to reflect an increase commensurate with the proposed increase in water service rates.

In support of its request for an adjustment in the Company's water and sewer rates, terms and conditions Tega Cay asserts, among other things, that the proposed water and sewer rate increases are necessary in order that it may provide reasonable and adequate service to its customers, comply with standards and regulations set by the Department of Health and Environmental Control and other governmental agencies which regulate the environmental aspect of the Company's business, and earn a reasonable return on its investment and attract capital for future improvements. The Company also asserts that the proposed water and sewer rate increases are necessary to preserve its financial integrity and to permit continued investment in and maintenance of its facilities so as to provide reliable and high quality services.

THE PROPOSED CHANGES IN THE RATES AND CHARGES ARE SET FORTH BELOW
(The complete rate schedule is available from the Company at the address below and on the
Commission's website at www.psc.sc.gov)

WATER

Monthly Charges	Current	Proposed
<u>Residential (per single family house, condominium, mobile home, apartment unit)</u>		
<u>Charge for Water Distribution Only</u>		
<u>Residential</u>		
Basic Facilities Charge	\$7.56	\$9.21
Commodity Charge	\$1.69 per 1,000 gallons or 134 cft	\$2.06 per 1,000 gallons or 134 cft
<u>Commercial</u>		
Basic Facilities Charge		
Per single family equivalent	\$7.56	\$9.21
Commodity Charge	\$1.69 per 1,000 gallons or 134 cft	\$2.06 per 1,000 gallons or 134 cft
Annual Fire Hydrant Fee	\$100 per year	\$121.80 per year

SEWER

Monthly Charges	Current	Proposed
Residential monthly charge	\$33.02 per unit	\$40.12 per unit
Per single-family house, condominium, villa, or apartment unit		
Commercial – monthly charge	\$33.02 per SFE	\$40.12 per Single Family Equivalent

A copy of the Company's Application can be obtained from the Commission at the following address: Public Service Commission of South Carolina, Docketing Department, P. O. Drawer 11649, Columbia, South Carolina 29211. Additionally, Tega Cay's Application is available on the Commission's website at www.psc.sc.gov.

In order for testimony and evidence to be received from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business Park, 101 Executive Center Dr., Columbia, South Carolina on _____.

Any person who wishes to participate in this matter, as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure, on or before _____, and indicate the amount of time required for his presentation.

Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. ***Please refer to Docket No. 2009-473-W/S.***

Any person who wishes to testify and present evidence at the hearing should notify the Docketing Department, in writing, at the address below, the Office of Regulatory Staff, Post Office Box 11263, Columbia, South Carolina 29211, and John M. S. Hoefer, Esquire, Willoughby & Hoefer, P.A., Post Office Box 8416, Columbia, South Carolina 29202-8416 on or before _____, and indicate the amount of time required for the presentation. ***Please refer to Docket No. 2009-473-W/S***

Any person who wishes to request a hearing in his or her county of residence should notify on or before _____, in writing, the Docketing Department at the address below, the Office of Regulatory Staff, Post Office Box 11263, Columbia, South Carolina 29211, and John M. S. Hoefer, Esquire, Willoughby & Hoefer, P. A., Post Office Box 8416, Columbia, South Carolina 29202-8416. ***Please refer to Docket No. 2009-473-W/S***

Any person who wishes to be notified of any change in the hearing date, but does not wish to present testimony or be a party of record, may do so by notifying the Docketing Department in writing at the address below on or before _____. ***Please refer to Docket No. 2009-473-W/S***

PLEASE TAKE NOTICE: Any person who wishes to have his or her comments considered as part of the official record of this proceeding **MUST** present such comments, in person, to the Commission during the hearing.

Persons seeking information about the Commission's Procedures should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina
Attn: Docketing Department
Post Office Drawer 11649
Columbia, SC 29211

___/___/___

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

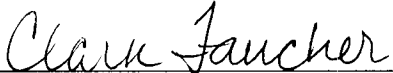
DOCKET NO. 2009-473-WS

IN RE:)
)
Application of Tega Cay Water)
Service, Inc. for adjustment of)
rates and charges and modifications to)
certain terms and conditions for the)
provision of water and sewer service.)
_____)

CERTIFICATE OF SERVICE

This is to certify that I have caused to be served this day one (1) copy of **Tega Cay Water Service, Inc.'s Application** by placing same in the care and custody of the United States Postal Service with first class postage affixed thereto and addressed as follows:

The Honorable C. Dukes Scott
Office of Regulatory Staff
Post Office Box 11263
Columbia, South Carolina 29211



Clark Fancher

Columbia, South Carolina
This 16th day of February, 2010.

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